

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

**September 7, 2004**

<b>IN RE:</b>	)	
	)	
<b>PETITION FOR APPROVAL OF THE</b>	)	<b>DOCKET NO.</b>
<b>INTERCONNECTION AGREEMENT</b>	)	<b>04-00019</b>
<b>BETWEEN BELL SOUTH</b>	)	
<b>TELECOMMUNICATIONS, INC.</b>	)	
<b>AND TELECONEX, INC.</b>	)	

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**ORDER DENYING PETITION FOR APPROVAL OF  
THE INTERCONNECTION AGREEMENT**

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This matter came before Director Pat Miller, Director Sara Kyle and Director Ron Jones of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on April 12, 2004, to consider, pursuant to 47 U.S.C. § 252, the Petition for approval of the interconnection agreement negotiated between BellSouth Telecommunications, Inc. ("BellSouth") and TeleConex, Inc. ("Teleconex") (the "*Petition*").

On January 21, 2004, BellSouth filed its *Petition* with attached copies of the interconnection agreement between BellSouth and Teleconex. On March 16, 2004, the Authority Staff issued a data request to Teleconex seeking additional information regarding the extent of commercial dealings between Teleconex and other telecommunications carriers and information regarding the ownership, governance and financial support of Teleconex.

On March 19, 2004, Teleconex filed a statement advising that Steve Watson was no longer the President of Teleconex and directing further inquiries to Shai Harmelach. Shai Harmelach's position with Teleconex was not indicated in the statement. Teleconex did not otherwise provide the information asked for in the Authority Staff's data request. On April 2, 2004, the Authority Staff received confirmation by telephone from Mr. Steve Watson, the former president of Teleconex, that ownership of Teleconex had changed as of December 19, 2003.

Teleconex was originally authorized to provide operator service and/or resell telecommunications services in Tennessee on September 16, 1998 in Docket No. 98-00353. On December 12, 2002, the Authority granted Teleconex a certificate of convenience and necessity to operate as a competing local exchange carrier in Docket No. 02-00904. In both applications, Teleconex states that it will comply with all applicable state laws and TRA Rules and Regulations.

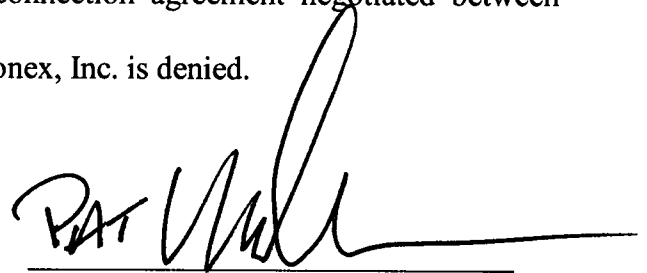
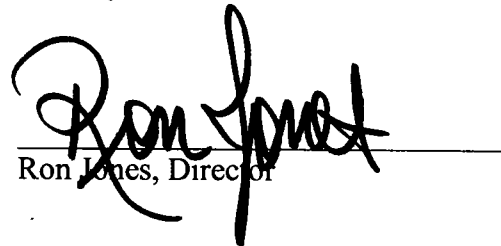
On April 12, 2004, BellSouth filed a statement notifying the TRA of its withdrawal of its support of the interconnection agreement filed with the *Petition*, that Teleconex had failed to meet its contractual obligations to BellSouth, and that BellSouth was no longer requesting approval of the interconnection agreement.

During the regularly scheduled Authority Conference on April 12, 2004, the panel assigned to this docket voted unanimously to deny approval of the *Petition*. The panel found that Teleconex is in violation of Tenn. Code Ann. § 65-4-113 for its failure to request approval of a transfer of ownership. In addition, the panel found that Teleconex's failure to respond to the March 16, 2004 data request is inconsistent with the Company's obligation to adhere to all applicable Authority policies and requirements as set forth in Tenn. Code Ann. § 65-4-120 and § 65-4-201(c)(1).

Based on these findings, the panel concluded that approval of the interconnection agreement between BellSouth and Teleconex would not be consistent with the public interest and, therefore determined that, based on 47 U.S.C. § 252(e)(2)(A)(ii) the Petition should be denied.

**IT IS THEREFORE ORDERED THAT:**

The Petition for approval of the interconnection agreement negotiated between BellSouth Telecommunications, Inc. and TeleConex, Inc. is denied.

  
Pat Miller, Director  
Sara Kyle, Director  
Ron Jones, Director